



Challenges

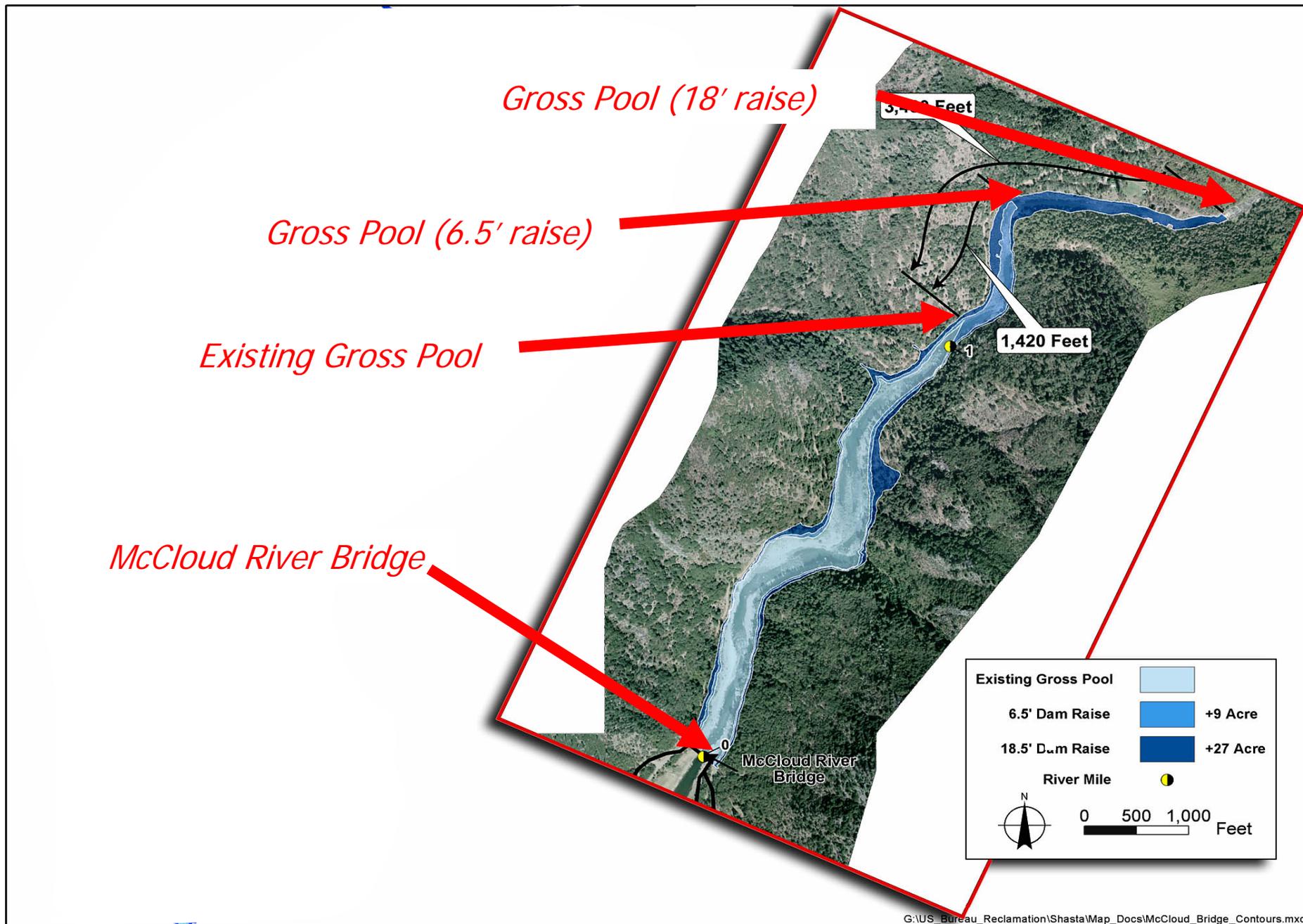
Shasta Enlargement

- Potential impacts to the McCloud River from raising Shasta Dam

California Public Resources Code 5093.542(c)

“Except for participation by the Department of Water Resources in studies involving the technical and economic feasibility of enlargement of Shasta Dam, no department or agency of the state shall assist or cooperate with, whether by loan, grant, license, or otherwise, any agency of the federal, state or local government in the planning or construction of any dam, reservoir, diversion, or impoundment facility that could have an adverse effect on the free-flowing condition of the McCloud River, or on its wild trout fishery.”

McCloud River Inundation Map



McCloud River Effects

Dam Raise	Length of River Affected	Percent of Designated Reach Affected	Increase in Inundation Area
6.5 ft	1,420 ft	1.1 %	9 acres
18 ft	3,480 ft	2.7 %	27 acres

Shasta Enlargement

- Reclamation and DWR will report on both:
 - Potential impacts to the McCloud River
 - Potential benefits of increasing Shasta Lake cold water pool

In-Delta Storage

- DWR completed the *Draft Executive Summary Report* for public review in February 2004
- Comments are due March 20, 2004
- BDPAC and the Authority will make recommendations to DWR and Authority staff in May and June 2004
- A key decision on future project actions is planned before July 2004

Los Vaqueros Reservoir Expansion CCWD Voters Approved Measure N

Results from Contra Costa County website

**N-Expand Los Vaqueros
Advisory Measure Only**

Completed Precincts:
319 of 319

	Vote Count	Percentage
Yes	53,546	61.6%
No	33,320	38.4%

CONTRA COSTA TIMES

Tuesday March 02, 2004

Los Vaqueros studies winning, *By Mike Taugher*

An advisory vote that leaves the door open for expansion of a 6-year-old reservoir in East County appeared certain to pass in early returns...

Los Vaqueros Reservoir Expansion

- MOU between 11 local/State/federal agencies extended
- DWR and Reclamation preparing contracts to begin the formal environmental documentation process
- A Notice of Intent/Notice of Preparation will be issued by May 2004

Upper San Joaquin River Storage

- Scientifically-based environmental restoration plan for upper San Joaquin River is necessary to study the project's contribution to restoration of the river
- DWR and Reclamation continue to work with local water agencies, environmental groups, and local stakeholders to advance the development of a restoration plan

Challenges Shared by All Projects

- Identification of beneficiaries
- Common assumptions
- Funding

Identification of Beneficiaries

- ROD identified potential project purposes
- ROD did not specify beneficiaries or cost allocation
- DWR and Reclamation must identify specific project purposes, operational plans, and users of water supplies

Strategy to Engage Potential Beneficiaries

- Develop base information to allow potential beneficiaries to assess their interest in the storage projects:
 - Range of operational scenarios
 - Finance options



Common Assumptions

Goals

- Establish common assumptions for existing and future no-action conditions baseline
- Perform economic analyses using consistent methodology and assumptions
- Analyze cumulative impacts and benefits

Common Assumptions

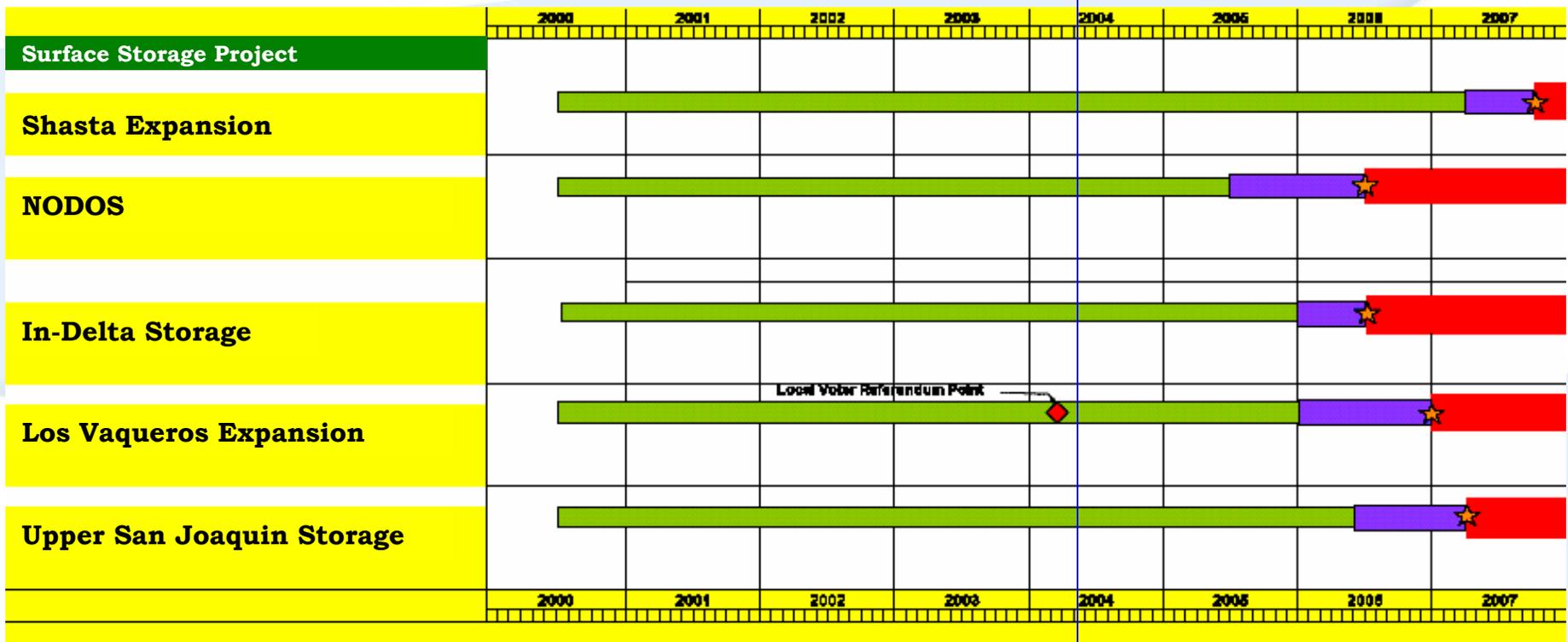
Next Steps

- Estimate future water management options that affect model inputs
- Complete modeling of common baselines for existing and future no-action conditions
- Complete documentation of model and analytical tool input assumptions

Schedule

Years: 1 - 4

5 & 6



- Draft EIR/EIS & Feasibility Study
- Finalize EIR/EIS & Feasibility Study
- Authorization/Funding/Design & Construction
- ★ Final EIR/EIS & Feasibility Study

Funding to Date: Years 1 – 4

(\$ million)

Project	State	Fed	Total
Shasta Enlargement	0.7	5.6	6.3
NODOS	24.6	2.8	27.4
In-Delta	10.1	0.9	11.0
Los Vaqueros Enlargement	9.1	7.5	16.6
Upper San Joaquin	2.2	6.0	8.2
Total	46.7	22.6	69.3

Funding Needs Years 5-6

(\$ million)

Project	Total
Shasta Enlargement	3.2
NODOS	12.0
In-Delta	4.1
Los Vaqueros Enlargement	13.8
Upper San Joaquin	8.0
Total	41.0

- Remaining Prop 50 Funding: \$20 million

Funding Issues

- Future federal funding?
- Use of State bond funds on federal-lead projects?
- Cost-share planning costs with beneficiaries?

Developing Priorities

- ROD envisioned completing feasibility-level planning on all 5 projects
- Limited funding will require reconsideration
 - Minimum information needs?
 - Rational for prioritizing diverse projects?